

54/11

TENTH ANNUAL REPORT

OF

THE DIRECTORS

OF THE

Rutland & Burlington R. R. Co.,

AND

THE REPORT

OF THE

TRUSTEES OF THE SECOND MORTGAGE.

FOR THE YEAR ENDING AUG. 31, 1857.

RUTLAND:

GEO. A. TUTTLE & CO., PRINTERS.

1857.

REPORT
TO
THE STOCKHOLDERS
OF THE
RUTLAND AND BURLINGTON RAILROAD.

GENTLEMEN:

The Tenth Annual Report of the Treasurer of the Corporation is herewith annexed, also the Report of the Trustees of the Second Mortgage Bonds, for the year ending August 31, 1857, all of which is respectfully submitted.

Per order :

THOMAS THACHER, President.

Dr. RUTLAND & BURLINGTON RAILROAD CO.,

CONSTRUCTION.

Grading and Masonry.....	2,358,323	76
Superstructure.....	949,745	67
Land, Land Damages, and Fencing....	234,414	82
Stations, Buildings, and Fixtures.....	238,464	42
Bridges.....	116,669	93
Engineering.....	91,901	12
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		3,989,519 72

EQUIPMENT.

Cars.....	366,640	88
Locomotives.....	175,164	34
Tools.....	14,470	34
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		556,275 56

INCIDENTALS.

Expenses.....	67,238	79
Salaries.....	50,000	00
Delinquent Subscribers.....	54,467	32
Sundry Accounts.....	121,392	17
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		293,098 28

INTEREST.

Interest on Loans, &c.....	333,782	84
Interest on Stock.....	103,060	21
Coupons on six per cent. Bonds.....	328,063	50
Coupons on Interest Bonds.....	4,458	00
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		769,364 55

DISCOUNTS.

Discount on six per cent. Bonds.....	220,078	25
Discount on First Mortgage Bonds....	109,686	25
Discount on Second Mortgage Bonds...	261,180	10
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		590,944 60

ASSETS.

Vermont Valley Railroad Shares.....	6,750	00
Northern Telegraph Co. Shares.....	2,000	00
Real Estate.....	34,174	47
Steamboat and Barges.....	57,753	99
Shares eight per cent. Preferred Stock..	40,000	00
Plattsburgh and Montreal R. R. Shares..	26,355	10
Notes Receivable.....	25,508	84
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		192,542 40
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		<u>\$6,391,745 11</u>

IN ACC'T WITH TREASURER, Aug. 31, 1857. *Cr.*

CAPITAL.

Capital Stock	1,242,500 00	
Eight per cent. Preferred Stock.....	382,700 00	
Six per cent. Pfd. Stock... 605,200 00		
Do. do. (part paid)....	2,976 31	
	<u>608,176 31</u>	
		<u>2,233,376 31</u>

FUNDED DEBT.

First Mortgage Bonds.....	1,800,000 00	
Second Mortgage Bonds.....	913,500 00	
Third Mortgage Bonds....	416,300 00	
Convertible Notes.....	4,823 64	
	<u>421,123 64</u>	
		<u>3,134,623 64</u>

FLOATING LIABILITIES.

Notes Payable.....	598,147 30	
Six per cent. Bonds.....	297,500 00	
Interest Bonds.....	23,900 00	
Interest Scrip.....	17,199 02	
	<u>41,099 02</u>	
Dividends eight per cent. Stock.....	8,332 00	
Dividends six per cent. stock	728 00	
Mortgage Bonds Coupons.....	353 50	
Sundry Accounts.....	77,585 34	
	<u>77,585 34</u>	
		<u>1,023,745 16</u>

\$6,391,745 11

TREASURER'S OFFICE, }
 Rutland, Vt., Aug. 31, 1857. }

GEO. B. GIBBONS, *Treasurer.*

REPORT OF THE TRUSTEES.

In connection with the Tenth Annual Report of the Directors of the Rutland and Burlington Railroad Company, the Trustees of the Second Mortgage Bonds herewith present their Third Report and Statement of Accounts to the Bondholders.

The last report was made up to August 31st, 1856, and embraced the doings of the Trustees, and the earnings, expenses and disbursements in operating the Road for a period of fifteen months previous.

The present report is for twelve months ending August 31st, 1857. During that time Mr. Thomas Thacher has continued to be the managing Trustee, and Mr. E. A. Chapin the Superintendent of the road. It affords us satisfaction to state that the trains have been run with great regularity and promptness, and without accident, or injury to passengers or employees.

The earnings from all sources have been—

For Passengers.....	155.011	87	
Freight.....	202.852	91	
Mails.....	13.833	34	
Expresses.....	6.999	96	
Rents.....	3.926	85	
			\$382.624 93

And the running expenses and disbursements have been—

For Expenses of Passenger Department.....	26.468	99	
Loss and damage of Baggage.....	513	86	
Expenses of Freight Department.....	36.455	41	
Loss and damage of Freight.....	863	40	
Repairs of Railroads.....	43.790	94	
“ “ Bridges.....	9.071	70	
“ “ Locomotives.....	16.143	10	
“ “ Passenger Cars.....	6.500	43	
“ “ Freight Cars.....	24.292	45	
“ “ Gravel Cars.....	7	14	
“ “ Stations, &c.....	6.256	31	
“ “ Fences.....	4.796	54	
Fuel.....	47.822	11	
Oil.....	9.819	38	
Repair Shop.....	7.760	97	
Waste.....	1.284	09	
Taxes and Insurance.....	2.620	88	
Rail Renewals.....	20.062	40	
Damages and Gratuities.....	784	51	
Switchmen, Watchmen, &c.....	3.975	18	
Removing Ice and Snow.....	3.358	86	
Salaries of Trustees, Superintendent, Treasurer, Printing, Stationery, Law and other miscellaneous expenses.....	14.490	77	
Mail Service.....	959	00	
Interest paid Cheshire Railroad.....	4.291	53	
“ “ Fitchburg “ 	1.857	60	
“ “ Sundry persons.....	675	03	
Land and land damages.....	863	73	
Tie Renewals.....	8.934	71	
Repairs of Masonry.....	2.183	16	
			\$306.904 18
Leaving for net earnings for 12 months.....	\$75.720	75	

The following amounts are included in our statement of running expenses, which do not rightfully belong to them :

For Hodges' Patent Brake.....	1.000 00
For Imlay's Patent for an improved method of supporting the Bodies of Cars.....	711 00
For land and land damages for right of way, not before settled.....	863 73
	\$2,574 73

It is proper to state that these patents were adopted and in use when the road came into the hands of the Trustees, and settlement was made to avoid litigation, after we investigated the matter and became convinced that they would recover damages.

The following shows the distances run by all the trains for the last twelve months :

Miles run by Passenger Trains.....	164.058
“ “ Freight “	195.663
“ “ Wood “	19.139
“ “ Gravel “	39.492
Total.....	418.352

The following is a statement of the Equipment of the Road, Showing the cost of the Locomotives, and their present condition, and the number of Passenger, Freight and Gravel Cars:

16 Passenger Cars, 80 8-wheel Platform Cars, 51 8-wheel Cattle Cars,
 4 Baggage Cars, 2 2d-Class Passenger Cars, 17 4-wheel Box Cars,
 384 8-wheel Box Cars, 2 Mail Cars, 41 Gravel Cars.

STATEMENT OF LOCOMOTIVES, SEPTEMBER 1, 1857.

NAMES.	WHEN PURCHASED.	WHOSE MAKE.	TONSAGE.	COST.	CONDITION.
Iatland,.....	June 11th, 1840,	Taunton Locom. Works.	18 Tons.	\$7000 00	Wants some repairs.
Middlebury,.....	" 25th, "	" "	18 "	7000 00	Good condition.
Burlington,.....	" "	" "	18 "	7000 00	Wants some rep's but run'g
Bellevs Falls,.....	" "	" "	18 "	7000 00	Good condition.
Vergennes,.....	Sept. 12th, "	Balhard, Vale,	20 "	7250 00	Wants rep'rs but running.
Cuttingsville,.....	" "	" "	17 "	7250 00	" "
Rockingham,.....	" "	" "	17 "	7500 00	In shop.
Mount Holly,.....	" 10th, "	Taunton Locom. Works.	23 "	7000 00	Good condition.
Brandon,.....	Jan'y 7th, 1850,	" "	20 "	7000 00	" "
Chester,.....	Feb. 28th, "	" "	18 "	7000 00	" "
Pittsford,.....	March 15th, "	" "	20 "	7000 00	" "
Charlotte,.....	April 17th, "	" "	20 "	7000 00	" "
Wilmington,.....	Nov. 22d, "	Hinkley & Drury,	14 1/2 "	3500 00	" "
Yallow,.....	Dec. 28th, "	Taunton Locom. Works.	18 "	7000 00	" "
Clarendon,.....	March 19th, 1851,	" "	18 "	7000 00	" "
Gen. Strong,.....	Aug. 28th, "	" "	22 "	8000 00	" "
Chavendish,.....	Sept. 13th, "	" "	18 "	7318 00	" "
New Haven,.....	Oct. 14th, "	John Souther,	22 "	9087 50	" "
Nathan Rice,.....	Aug. 27th, 1852,	Amoskeag Manuact. Co.	25 "	8500 00	" "
John Howe,.....	Sept 30th, "	" "	25 "	8500 00	" "
T. Follet,.....	March 31st, 1853,	" "	25 "	8531 75	In shop.
Samuel Henshaw,.....	Nov. 20th, "	" "	23 "	7320 30	Good condition.
Lake Dunmore,.....	October, 1854,	Boston Locom. Works.	24 "	" "	" "
Ethan Allen,.....	" "	" "	24 "	" "	" "
Otter Creek,.....	December, 1855,	" "	24 "	" "	" "
Wide Awake,.....	" "	" "	24 "	" "	" "

The earnings of the road for twelve months ending August 31, 1857, as compared with the corresponding months of the previous year, show a falling off of \$14,804 93, which is nearly all in the passenger department, and which, taking into account the very general decrease in Railroad receipts for the past year, it is believed is not more than the average of other roads; but during the same period the running expenses and disbursements have been decreased \$56,188 11.

A large proportion of this decrease is in running expenses, and may, to a great extent, be attributed to the improved condition of the roadway, and to improvements made upon many of the locomotives, by which they are worked more economically, and the consumption of fuel much reduced.

By comparing the cost of fuel with the last report, it will be found that there has been a saving of $2\frac{10}{100}$ cents per mile run, which, for 418,352 miles, the total number run by all trains, amounts to \$9,161 91.

We would, in this connection, express our obligations to the employees of the road, for their efforts and manifest desire to practise economy in performing their duties.

The managers will continue their efforts for a further reduction of the operating expenses, so far as it can be done consistently with performing the service believed necessary to develop the income of the road to the best advantage, with safety, promptness and regularity, and keeping all the property entrusted to them in good and thorough repair, and renewing such as is necessary to cover deterioration.

The theory of reducing service and speed has been much discussed by Railroad Managers, and is received with very general favor, as an effectual method of reducing expenses. But it is evident that no fixed rule can apply with equal force to all roads.

The Managers of each Road, taking into account its location and connections, must necessarily be governed by their knowledge, acquired by experience, of the number of trains and speed required to properly develop its resources.

The Trustees have carefully investigated this subject, and will at all times run as few trains, and at as low a rate of speed as practicable, and make suitable connections with other roads.

It is believed that during the Winter months we shall be able to make a material reduction from the present service.

THE TRACK.

The advantage of having the track in good repair, is evident in the more economical working of the road for the past year; and to put and maintain our roadway in its present condition, has required a large annual outlay; but since the Trustees took charge of the road (nearly four years) they have purchased only 119 tons of new rails. The balance has been re-rolled, or repaired in our repair shops.

Rails re-rolled to May 31, 1855.....	661	Tons.
“ “ “ Aug. 31, 1856.....	361	“
“ “ “ “ “ 1857.....	444	“

Total re-rolled.....1.466 “

Rails repaired in our shops to May 31, 1855.....	3.327	Tons.
“ “ “ “ Aug. 31, 1856.....	3.267	“
“ “ “ “ “ “ 1857.....	2.103	“

Total tons repaired.....8.697

In all, new, rerolled and repaired rails put in the track by the Trustees, 10.282 tons, or over 100 miles of the whole road, and requiring 867.305 lbs. of chair castings.

New cross-ties to May 31, 1855.....	55.623
“ “ “ Aug. 31, 1856.....	62.776
“ “ “ “ “ 1857.....	34.899

Total.....153.298

The track is now in excellent condition, we believe fully equal to any New England road.

MASONRY AND BRIDGES.

By referring to our former reports it will be observed that considerable amounts have been paid out for rebuilding and repairing masonry and bridges.

The location of the road is such that it requires a large number of bridges, many of them quite long and at great height from the water, and experience has shown that it is of the

utmost importance to have them kept in a perfectly safe condition for the passage of heavy trains.

The past year \$2,000 has been expended for new masonry, and \$9,071 70 for rebuilding and repairing bridges. These amounts, and those of former years for like purposes, would not have been required if the culverts, cattle and water passes and bridges had been built of suitable material and properly secured when the road was constructed.

In rebuilding all structures, our purpose has been to make them of a permanent and lasting character.

LOCOMOTIVES AND CARS.

In operating the road the Trustees regard it of the highest importance to keep the rolling stock in a thorough state of repair and efficiency, not only for the proper transaction of the business, but to make good the wear and tear and depreciation, and it is confidently believed that such repairs and renewals have been made on the machinery and cars the past year as to fully maintain their effective working value.

Four locomotives have been thoroughly repaired and furnished with the "link motion" and other modern improvements, and besides the ordinary repairs to others, there has been used five new crank axles, and twenty-seven new tires. The passenger cars have been suitably repaired, furnished with sufficient new trucks to keep them in a safe running condition.

There are belonging to the road 415 freight cars, and the sum of \$24,292 45 has been expended in their renewals and repairs. In that amount is included the cost of building 28 new box and cattle cars, to take the place of others entirely worn out; also putting bodies on to 11 platform cars for transporting hay, which has become an important article of freight.

While we look to the business to and from Burlington for an increase of our earnings, we would not lose sight of the importance of the roads from Rutland to Albany, Troy and Schenectady, as furnishing a large amount of business from their local stations, and affording a direct connection with the New York Central Road, and the Erie Canal, two most important avenues for passengers and freight to and from the East and West;

thereby making a portion of our road a part of a through line between Boston and the West, and enabling us to secure a portion of a traffic which cannot by any arrangement be induced to go over the whole road.

During the past year our efforts have been continued to make a fair and equitable arrangement with the managers of Vt. & Canada, and Vt. Central Roads for connections of trains and interchange of business at Burlington, but our proposals, intended to accomplish that object, have not been responded to, and we are still without any arrangement by which this road can receive the business of the Vt. & Canada Road at Burlington on the same terms that it is delivered to the Vt. Central Road.

While this systematic and continued discrimination against this line deprives us of a large amount of business which would pass over the whole length of the road, and from a source which it was anticipated would yield a large revenue, we confidently believe that it is equally against the interest of the Vt. & Canada Road to have it continued, and call on the stockholders and friends of that Road to unite with us in efforts to accomplish a change, and place their Road in the position contemplated by its Charter, viz :

To take the traffic from the Rutland & Burlington and Vt. Central Roads at the same rates of toll.

The net earnings of the Road since it came into the hands of the Trustees were to Aug. 31st, 1856, as per last report. . .	167.452 87	
The net earnings the last year to Aug. 31st, 1857, were.	75.720 75	
Making an aggregate of.		243.174 62
Of this sum the Trustees have paid for coupons.	63.000 00	
For Wood now on hand.	32.139 80	
Stock on hand in Machine Shop.	30.119 92	
Locomotives under attachment before the Road came into their possession.	16.557 73	
Cars do do	3.229 50	
Locomotives under contract with Fitchburg Railroad	4.816 00	
Cars to Cheshire Railroad	3.136 00	
Stationary engine and tools in shop.	1.863 00	
Being an aggregate of.	\$154.861 95	
There is now due from connecting Roads	24.910 72	
" " " Stations.	14.272 94	
" " " Agents.	3.884 89	
" " " Sundry accounts.	32.896 72	
" " Cash on hand.	12.347 40	
		243.174 62

SAM'L HENSHAW, } Trustees.
 THOMAS THACHER, }

RUTLAND, October 8, 1857.

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